

UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA

SECURITIES AND EXCHANGE  
COMMISSION,

Plaintiff,

v.

PETER H. POCKLINGTON,  
LANTSON E. ELDRED, TERRENCE  
J. WALTON, YOLANDA C.  
VELAZQUEZ a/k/a LANA  
VELAZQUEZ a/k/a LANA PULEO,  
VANESSA PULEO, ROBERT A.  
VANETTEN, NOVA OCULUS  
PARTNERS, LLC, f/k/a THE EYE  
MACHINE, LLC, and AMC  
HOLDINGS, LLC,

Defendants.

EVA S. POCKLINGTON, DTR  
HOLDINGS, LLC, COBRA  
CHEMICAL, LLC, and GOLD STAR  
RESOURCES, LLC,

Relief Defendants.

Case No. 5:18-cv-00701-FLA (SPx)

**FINAL JUDGMENT AS TO  
DEFENDANT PETER H.  
POCKLINGTON [DKT. 191]**

# FINAL JUDGMENT AS TO PETER H. POCKLINGTON

The Securities and Exchange Commission (the “Commission”) having filed a Complaint and Defendant Peter H. Pocklington (“Defendant”) having entered a general appearance; consented to the court’s jurisdiction over Defendant and the subject matter of this action; consented to entry of this Final Judgment without admitting or denying the allegations of the Complaint (except as to jurisdiction and except as otherwise provided herein in paragraph VII); waived findings of fact and conclusions of law; and waived any right to appeal from this Final Judgment:

I.

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating, directly or indirectly, Section 10(b) of the Securities Exchange Act of 1934 (the “Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 promulgated thereunder [17 C.F.R. § 240.10b-5], by using any means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange, in connection with the purchase or sale of any security:

- (a) to employ any device, scheme, or artifice to defraud;
  - (b) to make any untrue statement of a material fact or to omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or
  - (c) to engage in any act, practice, or course of business which operates or would operate as a fraud or deceit upon any person.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

II.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 17(a) of the Securities Act of 1933 (the “Securities Act”) [15 U.S.C. § 77q(a)] in the offer or sale of any security by the use of any means or instruments of transportation or communication in interstate commerce or by use of the mails, directly or indirectly:

- (a) to employ any device, scheme, or artifice to defraud;
  - (b) to obtain money or property by means of any untrue statement of a material fact or any omission of a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or
  - (c) to engage in any transaction, practice, or course of business which operates or would operate as a fraud or deceit upon the purchaser.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

III.

IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that Defendant is permanently restrained and enjoined from violating Section 5 of the Securities Act [15 U.S.C. § 77e] by, directly or indirectly, in the absence of any applicable exemption:

- (a) Unless a registration statement is in effect as to a security, making use of any means or instruments of transportation or communication in interstate commerce or of the mails to sell such security through the use or medium of any prospectus or otherwise;

- (b) Unless a registration statement is in effect as to a security, carrying or causing to be carried through the mails or in interstate commerce, by any means or instruments of transportation, any such security for the purpose of sale or for delivery after sale; or
  - (c) Making use of any means or instruments of transportation or communication in interstate commerce or of the mails to offer to sell or offer to buy through the use or medium of any prospectus or otherwise any security, unless a registration statement has been filed with the Commission as to such security, or while the registration statement is the subject of a refusal order or stop order or (prior to the effective date of the registration statement) any public proceeding or examination under Section 8 of the Securities Act [15 U.S.C. § 77h].

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal service or otherwise: (a) Defendant's officers, agents, servants, employees, and attorneys; and (b) other persons in active concert or participation with Defendant or with anyone described in (a).

IV.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)], Defendant is permanently restrained and enjoined from directly or indirectly, including, but not limited to, through any entity owned or controlled by Defendant, participating in the issuance, purchase, offer, or sale of any security in an unregistered offering by an issuer.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, as provided in Federal Rule of Civil Procedure 65(d)(2), the foregoing paragraph also binds the following who receive actual notice of this Final Judgment by personal

1 service or otherwise: (a) Defendant's officers, agents, servants, employees, and  
2 attorneys; and (b) other persons in active concert or participation with Defendant or  
3 with anyone described in (a).

4 V.

5 IT IS HEREBY FURTHER ORDERED, ADJUDGED, AND DECREED that  
6 Defendant is liable for disgorgement of \$339,449.00, for which Defendant is joint  
7 and severally liable with relief defendants Eva Pocklington, Cobra Chemical, LLC,  
8 DTR Holdings, LLC, and Gold Star Resources, LLC up to the amount of  
9 disgorgement liability of each relief defendant, representing net profits gained as a  
10 result of the conduct alleged in the Complaint, together with prejudgment interest  
11 thereon in the amount of \$51,033.07, and a civil penalty in the amount of  
12 \$1,086,426.00 pursuant to Section 20(d) of the Securities Act 15 U.S.C. § 77t(d)] and  
13 Section 21(d)(3) of the Exchange Act [15 U.S.C. § 78u(d)(3)]. Defendant shall  
14 satisfy this obligation by paying \$1,476,908.07 to the Securities and Exchange  
15 Commission pursuant to the terms of the payment schedule set forth in paragraph VI  
16 below after entry of this Final Judgment.

17 Defendant may transmit payment electronically to the Commission, which will  
18 provide detailed ACH transfer/Fedwire instructions upon request. Payment may also  
19 be made directly from a bank account via Pay.gov through the SEC website at  
20 <http://www.sec.gov/about/offices/ofm.htm>. Defendant may also pay by certified  
21 check, bank cashier's check, or United States postal money order payable to the  
22 Securities and Exchange Commission, which shall be delivered or mailed to:

23 Enterprise Services Center  
24 Accounts Receivable Branch  
25 6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

26 and shall be accompanied by a letter identifying the case title, civil action number,  
27 and name of this court; Peter H. Pocklington as a defendant in this action; and  
28 specifying that payment is made pursuant to this Final Judgment.

1       Defendant shall simultaneously transmit photocopies of evidence of payment  
2 and case identifying information to the Commission's counsel in this action. By  
3 making this payment, Defendant relinquishes all legal and equitable right, title, and  
4 interest in such funds and no part of the funds shall be returned to Defendant.

5       The Commission may enforce the court's judgment for disgorgement and  
6 prejudgment interest by using all collection procedures authorized by law, including,  
7 but not limited to, moving for civil contempt at any time after 30 days following entry  
8 of this Final Judgment.

9       The Commission may enforce the court's judgment for penalties by the use of  
10 all collection procedures authorized by law, including the Federal Debt Collection  
11 Procedures Act, 28 U.S.C. § 3001 et seq., and moving for civil contempt for the  
12 violation of any court orders issued in this action. Defendant shall pay post judgment  
13 interest on any amounts due after 30 days of the entry of this Final Judgment pursuant  
14 to 28 U.S.C. § 1961. The Commission shall hold the funds, together with any interest  
15 and income earned thereon (collectively, the "Fund"), pending further order of the  
16 court.

17       The Commission may propose a plan to distribute the Fund subject to the  
18 court's approval. Such a plan may provide that the Fund shall be distributed pursuant  
19 to the Fair Fund provisions of Section 308(a) of the Sarbanes-Oxley Act of 2002.  
20 The court shall retain jurisdiction over the administration of any distribution of the  
21 Fund, and the Fund may only be disbursed pursuant to an Order of the court.

22       Regardless of whether any such Fair Fund distribution is made, amounts  
23 ordered to be paid as civil penalties pursuant to this Judgment shall be treated as  
24 penalties paid to the government for all purposes, including all tax purposes. To  
25 preserve the deterrent effect of the civil penalty, Defendant shall not, after offset or  
26 reduction of any award of compensatory damages in any Related Investor Action  
27 based on Defendant's payment of disgorgement in this action, argue that he is entitled  
28 to, nor shall he further benefit by, offset or reduction of such compensatory damages

1 award by the amount of any part of Defendant's payment of a civil penalty in this  
2 action ("Penalty Offset"). If the court in any Related Investor Action grants such a  
3 Penalty Offset, Defendant shall, within 30 days after entry of a final order granting  
4 the Penalty Offset, notify the Commission's counsel in this action and pay the amount  
5 of the Penalty Offset to the United States Treasury or to a Fair Fund, as the  
6 Commission directs. Such a payment shall not be deemed an additional civil penalty  
7 and shall not be deemed to change the amount of the civil penalty imposed in this  
8 Judgment. For purposes of this paragraph, a "Related Investor Action" means a  
9 private damages action brought against Defendant by or on behalf of one or more  
10 investors based on substantially the same facts as alleged in the Complaint in this  
11 action.

12 **VI.**

13 Peter H. Pocklington shall pay the total of disgorgement, prejudgment interest,  
14 and penalty due of \$1,476,908.07 in two installments to the Commission according to  
15 the following schedule: (1) \$254,586.75 within 10 days of entry of this Final  
16 Judgment; and (2) \$1,222,321.32 within one-year of entry of this Final Judgment.  
17 Payments shall be deemed made on the date they are received by the Commission and  
18 shall be applied first to post judgment interest, which accrues pursuant to 28 U.S.C.  
19 § 1961 on any unpaid amounts due after 30 days of the entry of Final Judgment.  
20 Prior to making the final payment set forth herein, Peter H. Pocklington shall contact  
21 the staff of the Commission for the amount due for the final payment.

22 If Peter H. Pocklington fails to make any payment by the date agreed and/or in  
23 the amount agreed according to the schedule set forth above, all outstanding  
24 payments under this Final Judgment, including post-judgment interest, minus any  
25 payments made, shall become due and payable immediately at the discretion of the  
26 staff of the Commission without further application to the court.

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VII.

2 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that, solely for  
3 purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code,  
4 11 U.S.C. § 523, the allegations in the complaint are true and admitted by Defendant,  
5 and further, any debt for disgorgement, prejudgment interest, civil penalty or other  
6 amounts due by Defendant under this Final Judgment or any other judgment, order,  
7 consent order, decree or settlement agreement entered in connection with this  
8 proceeding, is a debt for the violation by Defendant of the federal securities laws or  
9 any regulation or order issued under such laws, as set forth in Section 523(a)(19) of  
10 the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

VIII.

12 IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this court  
13 shall retain jurisdiction of this matter for the purposes of enforcing the terms of this  
14 Final Judgment.

16 | Dated: May 9, 2022

FERNANDO L. AENLLE-ROCHA  
United States District Judge